IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.781 OF 1998

The Commissioner of Income Tax
Bombay City - V, Bombay .. Applicant.
V/s.
M/s.Rohit Pulp & Paper Mills Ltd.. Respondent.

Mr.A.S. Rao i/b. Mr.Pankaj Kapoor for the applicant.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.

DATED : 5TH APRIL, 2005.

P.C. :

1. Heard learned counsel for the applicant. The Tribunal has referred question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was justified in holding that the Government cash subsidy received by the assessee should not be adjusted against the actual cost of the depreciable assets like plant and machinery before allowing the depreciation allowance and the provisions of section 43(1) are not applicable in the case of the assessee ?

2. The above question has already been answered by the Apex Court in the case of **C.I.T. V/s. P.J. Chemicals Ltd. [(1994) 210 I.T.R. 830 (SC)]** in the affirmative i.e. in favour of the assessee and against the revenue. In this view of the matter, reference stands disposed of in terms of that judgment with no order as to costs.

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